



ENVIRONMENTAL PROTECTION AGENCY

[FRL-10023-68-OAR]

Administration of Cross-State Air Pollution Rule Trading Program Assurance Provisions for 2020 Control Periods

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice of data availability.

SUMMARY: The Environmental Protection Agency (EPA) is providing notice of the availability of data on the administration of the assurance provisions of the Cross-State Air Pollution Rule (CSAPR) trading programs for the control periods in 2020. Total emissions of nitrogen oxides (NO_x) reported by Mississippi and Missouri units participating in the CSAPR NO_x Ozone Season Group 2 Trading Program during the 2020 control period exceeded the respective states' assurance levels under the program. Data demonstrating the exceedances and EPA's preliminary calculations of the amounts of additional allowances that the owners and operators of certain Mississippi and Missouri units must surrender have been posted in a spreadsheet on EPA's website. EPA will consider timely objections to the data and calculations before making final determinations of the amounts of additional allowances that must be surrendered.

DATES: Objections to the information referenced in this notice must be received on or before [INSERT DATE 30 DAYS AFTER THE DATE OF PUBLICATION IN THE FEDERAL REGISTER].

ADDRESSES: Submit your objections via email to CSAPR@epa.gov. Include "2020 CSAPR Assurance Provisions" in the email subject line and include your name, title, affiliation, address, phone number, and email address in the body of the email.

FOR FURTHER INFORMATION CONTACT: Questions concerning this action should be addressed to Garrett Powers at (202) 564-2300 or powers.jamesg@epa.gov.

SUPPLEMENTARY INFORMATION:

The regulations for each CSAPR trading program contain “assurance provisions” designed to ensure that the emissions reductions required from each state covered by the program occur within the state. If the total emissions from a given state's affected units exceed the state's assurance level under the program, then two allowances must be surrendered for each ton of emissions exceeding the assurance level (in addition to the ordinary obligation to surrender one allowance for each ton of emissions). In the quarterly emissions reports covering the 2020 control period, Mississippi and Missouri units participating in the CSAPR NO_x Ozone Season Group 2 Trading Program reported emissions that exceed the respective states’ assurance levels under the program. Mississippi units exceeded that state’s assurance level by 260 tons, resulting in a requirement for the surrender of 520 additional allowances, and Missouri units exceeded that state’s assurance level by 2,448 tons, resulting in a requirement for the surrender of 4,896 additional allowances.

When a state's assurance level is exceeded, responsibility for surrendering the required additional allowances is apportioned among groups of units in the state represented by “common designated representatives” based on the extent to which each such group's emissions exceeded the group's share of the state's assurance level. For the CSAPR NO_x Ozone Season Group 2 Trading Program, the procedures are set forth at 40 CFR 97.802 (definitions of “common designated representative,” “common designated representative's assurance level,” and “common designated representative's share”), 97.806(c)(2), and 97.825. Applying the procedures in the regulations for the 2020 control period, EPA has completed preliminary calculations indicating that responsibility for surrendering 520 additional allowances in Mississippi should be apportioned between the groups of units operated by Entergy Corporation and Mississippi Power Company, while responsibility for surrendering 4,896 additional allowances in Missouri should

be apportioned almost entirely to the group of units operated by Associated Electric Cooperative, Inc., with much smaller shares apportioned to the groups of units operated by the municipal utilities of Chillicothe and Higginsville.

In this document, EPA is providing notice of the data relied on to determine the amounts of the exceedances of the Mississippi and Missouri assurance levels discussed above, as required under 40 CFR 97.825(b)(1)(ii), and notice of the preliminary calculations of the amounts of additional allowances that the owners and operators of certain Mississippi and Missouri units must surrender as a result of the exceedances, as required under 40 CFR 97.825(b)(2)(ii).¹ By October 1, 2021, EPA will provide notice of the final calculations of the amounts of additional allowances that must be surrendered, incorporating any adjustments made in response to objections received, as required under 40 CFR 97.825(b)(2)(iii)(B). Each set of owners and operators identified pursuant to the notice of the final calculations must hold the required additional allowances in an assurance account by November 1, 2021.

The data and preliminary calculations are set forth in an Excel spreadsheet entitled “2020_CSAPR_assurance_provision_calculations_prelim.xlsx” available at <http://www.epa.gov/csapr/csapr-assurance-provision-nodas>. The spreadsheet contains data for the 2020 control period showing, for each Mississippi and Missouri unit identified as affected under the CSAPR NO_x Ozone Season Group 2 Trading Program, the amount of NO_x emissions reported by the unit and the amount of CSAPR NO_x Ozone Season Group 2 allowances allocated to the unit, including any allowances allocated from a new unit set-aside. The spreadsheet also contains calculations for the 2020 control period showing the total NO_x emissions reported by all such units in each state and the amounts by which the total reported NO_x emissions exceeded the respective states’ assurance levels under the program. Finally, the spreadsheet also includes calculations for the 2020 control period showing, for each

¹ The regulations allow the notice under § 97.825(b)(2)(ii) to be published approximately two months after the notice under § 97.825(b)(1)(ii), but in this instance EPA already has all the information needed to prepare both notices and therefore is publishing them together.

common designated representative for a group of such units in each state, the common designated representative's share of the total reported NO_x emissions, the common designated representative's share of the state's assurance level, and the amount of additional CSAPR NO_x Ozone Season Group 2 allowances that the owners and operators of the units in the group must surrender.

Any objections should be strictly limited to whether EPA has identified the data and performed the calculations in the spreadsheet correctly in accordance with the regulations. Objections must include (1) precise identification of the specific data or calculations the commenter believes are inaccurate, (2) new proposed data or calculations upon which the commenter believes EPA should rely instead, and (3) the reasons why EPA should rely on the commenter's proposed data or calculations and not the data and calculations referenced in this notice.

(**Authority:** 40 CFR 97.825(b).)

Reid Harvey,

Director, Clean Air Markets Division,

Office of Atmospheric Programs,

Office of Air and Radiation.